

Medicare Rx Update: August 29, 2005

How many stand-alone Medicare Drug Plans will offer premiums of \$20 per month or less in your region...?

Medicare beneficiaries all over the country will be able to choose prescription drug coverage that will cost less than originally expected, including plans with premiums of \$20 per month or less. Options will also include plans offering zero deductibles or deductibles lower than \$250 annually, and plans that provide some coverage in addition to the "standard" Medicare drug benefit.

The reviews of the drug plans by CMS, which are nearing completion, show that Medicare beneficiaries will be able to choose lower cost options and options with coverage in addition to Medicare's standard plan, including:

- At least one prescription drug plan with premiums below \$20 per month, and in some areas significantly below \$20, in every region of the country except Alaska. All regions have multiple plan options with premiums significantly below \$30.
- In every region, prescription drug plans that will have zero deductibles or deductibles lower than Medicare's standard \$250 annual deductible.
- Some prescription drug plans will offer coverage that exceeds Medicare's standard plan. This includes help for beneficiaries to pay for costs beyond \$2,250 and before their out-of-pocket costs hit \$3,600 a year – the gap in Medicare's standard coverage. For example, some plans will cover generic drugs in the coverage gap.
- In every region, beneficiaries with limited incomes (including those eligible for Medicaid and Medicare) will be able to choose from plans with zero premiums offered by at least five organizations. All of these plans will meet all of Medicare's standards for access to medications.

... Get a snapshot of the new Medicare drug benefit in your region!

Today CMS released spreadsheets containing information on likely premium amounts and the number of organizations that will offer stand-alone prescription drug plans in each region of the country. In case you have been wondering, it looks like between 11 and 23 organizations will offer plans in each region.

- [Spreadsheets](#)

People with Medicare will also have access to lower-cost coverage and additional coverage in Medicare Advantage plans. Many of the Medicare Advantage prescription drug plans will have additional benefits beyond the standard Medicare coverage and have monthly premiums that are significantly less than \$20.

CMS is now completing the review of the stand-alone prescription drug plans and the drug plans to be offered by Medicare Advantage organizations. The final review is evaluating important factors such as whether the plans meet the Medicare law's standards for access to drugs at pharmacies convenient to their homes. Consequently, the plans available may change somewhat between now and the completion of the plan reviews.